

Office of Statewide Health Planning and Development
ACCOUNTING AND REPORTING MANUAL FOR CALIFORNIA
LONG-TERM CARE FACILITIES

APPENDIX G

EXTENSION PROCEDURE

Purpose

The granting of extensions is to allow reasonable flexibility of report due dates to account for disasters or other situations that could not have been anticipated. Extensions are available to health facilities that are unable to complete or correct their disclosure reports by the prescribed dates.

Definitions:

1. Original Due Date - Each facility's disclosure report is due four months after the end of each reporting period by the organization which operated the facility during the reporting period. The reporting period ends: (a) on the last day of the health facility's annual accounting period (fiscal year), (b) on the last day of patient care when the facility no longer accepts patients, (c) on the last day of patient care at the old plant when the facility closes to relocate to a new plant or to alter the existing plant, or (d) on the last day of licensure of the entity relinquishing the license when there is a change in licensee.

NOTE: No longer will changes in ownership be used to determine the need for a report from the former owner.

The licensee is responsible for reporting for the entire period of licensure, even if there is an agreement between the parties on a change in licensee for the new licensee to operate the facility prior to the new license being effective. However, a reporting modification would be considered if a new licensee wants to report for a period which begins prior to the effective date of the license and for the report period of the entity relinquishing the license to end prior to the last day of its licensure. If there are special situations which are not covered by the above, each situation will be handled on a case-by-case basis.

<u>FISCAL YEAR END OR OTHER CHANGE</u>	<u>ORIGINAL DUE DATE</u>
December 31, 1989	April 30, 1990
January 1, 1990	May 1, 1990
January 15, 1990	May 15, 1990
January 31, 1990	May 31, 1990
February 27, 1990	June 27, 1990
February 28, 1990	June 30, 1990

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2. Extended Due Date - The new due date is established when an extension is granted and is based on the number of calendar, not working, days granted from the previous due date.
3. Returned Report Due Date - If your report is returned for corrections, a specific number of days will be allowed to make the corrections. The number of days are calendar, not working, days and are counted from the date of the letter. For example:

<u>DATE OF LETTER</u>	<u>DAYS ALLOWED</u>	<u>DUE DATE</u>
May 20, 1990	10	May 30, 1990
May 30, 1990	10	June 9, 1990

EXCEPTION: If there are seven or fewer extension days available when the report is returned, the due date for the corrections will be calculated from the date the returned report is received by the facility or outside preparer, not from the date of the letter.

4. Saturday, Sunday, or Holiday - These days are counted in the extension and return days unless the report is due on one of these days. In that event, the health facility will be allowed to have the report postmarked or delivered to the Office on the next business day.

Extension Limitations

Extension days may not be granted for submitting annual disclosure reports which exceed an accumulated total of 90 days for all extensions and corrections. The policy of the Office is to grant a maximum of 60 days (in 30 day increments) for extension of disclosure report due dates. The remaining 30 days are reserved in case the report must be returned for correction.

Extension requests submitted by Medi-Cal providers must be approved by the Department of Health Services. The Office will initially receive the extension requests but the Department of Health Services must ultimately make the decision on requests from Medi-Cal providers.

How to Request an Extension

Extension requests must be mailed or hand delivered to the Office of Statewide Health Planning and Development, Accounting and Reporting Systems Section at 717 K Street, Room 100, Sacramento, CA 95814 or transmitted by telecopier (fax no. (916) 323-7675). Extension requests should be filed as soon as it is apparent that the required reports will not be

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completed for submission on or before their due date. We recommend that extension requests, if mailed, be submitted by Certified Mail - Return Receipt Requested.

Requests for extensions must be submitted in writing. The extension request forms enclosed on page G-5 may be copied and used for annual disclosure report extension requests, respectively. All requests should be postmarked or sent by fax at least 15 days prior to the required report due date and must be supported by justification which may provide good and sufficient cause for the approval of the extension requests. The time requested should be an estimate of the actual time needed. To provide a basis to judge good and sufficient cause, the letter of justification shall include a factual statement indicating:

- (1) The actions taken by the health facility to produce the report by the original or extended due date or the returned report due date;
- (2) those factors which prevent completion of the reports by the due date;
- (3) those actions required and the time (calendar days) needed to complete the report.

Late Extension Requests

Extensions requested after a report has become due may be granted where circumstances provide a reasonable basis for approval. The provisions which apply to timely extension requests also apply to late requests.

Office Action

If the extension request meets the criteria for granting extensions, the request will be approved and a letter sent to the facility. Extension requests from a Medi-Cal provider must be approved by both the Office and the Department of Health Services since the long-term care facility disclosure report is integrated with the Medi-Cal cost report. (The Office will make the required contacts with the Department.) If an extension request is denied, written notification of the denial and an explanation of the basis for the denial will be sent to the requestor by Certified Mail. Unless they are granted, requests for extension do not stop the accrual of penalties.

Denied Extension Requests

Denial of extension requests may be appealed in accordance with the Office's Appeals procedures. Procedures for filing appeals with the Office for denied extension requests are under the heading "Appeals Process For Civil Penalties and Denials of Extension Requests" in this Appendix.

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Penalties for Late Reports

Penalties of \$100 per day are assessed against facilities that have not submitted their disclosure report or have not requested an extension and been granted an extension by the due date. The dollar amount of penalties is determined by counting all days after the due date, up to and including the date postmarked on the mailing container or the date hand delivered to the Office of either the report or the extension request. The Office's receipt date of reports sent by telecopier (fax) will be used as the "postmark" date to determine penalty amounts. It is the facility's responsibility to provide proof of their submission and our receipt of materials transmitted by fax. If the due date is a Saturday, Sunday, or holiday, the report or extension request may be postmarked or delivered to the Office the next business day without penalty.

If the U.S. Postal Service stamps a postmark date on the envelope different from the postmark from a privately operated postal meter, the U.S. Postal Service postmark will be used.

Unpostmarked mail will be treated as though it is postmarked on the date received by the Office.

All penalty assessments are actions of the Office and are subject to appeal. Appeals do not stop the accrual of penalty liabilities.

Penalties for Late Extension Requests

If an extension request is postmarked, hand delivered, or received by telecopier (fax) after the report due date and is granted, a \$100 per day penalty is assessed against the facility from the due date of the report to the postmark date, the hand delivered date, or the date received by fax. If an extension request is postmarked, hand delivered, or received by fax after the report due date and is denied, a \$100 per day penalty is assessed from the report due date to the postmark date when the report is mailed by the facility.

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Extension Request - Long-Term Care Integrated Disclosure & Medi-Cal Cost Report

Health Facility Name (D.B.A.):			Date:	
OSHPD Facility No.:	Fiscal Year Ending:	Check One: Additional Request Initial Request		
Street Address:	City:	State:	Zip Code:	
Mailing Address (if different):	City:	State:	Zip Code:	
Action Taken To Produce Report by Deadline:				
Number of Days Requested (Up to 30 per request - with a maximum of 90 days allowed):				
Reason(s) Which Prevent(s) Completion by Deadline (Justification for Extension):				
Actions Needed to Complete Report within the extended time:				
I hereby certify that I am Authorized to request this extension:				
Requestors Name: Signature: Phone No.				
Mailing Address:	City:	State:	Zip Code:	
Mail to: Office of Statewide Health Planning and Development Health Facility Data Division 818 K Street, Suite 400 Sacramento, California 95814 Attn: Ms. Pat Burritt		If you have any questions Call: Ms. Pat Burritt (916) 323-0875 Fax No. (916) 323-7675		

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Right to Appeal

Any health facility affected by any determination made under the Health Data and Advisory Council Consolidation Act by the Office may petition the Office for review of the decision. An appeal must be filed within 15 business days of the day the facility receives notification of the action. The right to appeal is forfeited if an appeal is not either received by the Office or postmarked within 15 business days of notification of any action or decision. If an appeal is submitted, the facility is entitled to a formal hearing within 60 days. The hearing will be before either an employee of the Office, hearing officer from the Office of Administrative Hearings, or a five member Appeals Committee of the California Health Policy and Data Advisory Commission. The choice of forum is up to the Office. The hearing officer or Committee will then prepare a recommended decision for the Director, who will make a written final decision. A form that may be used to file an appeal is provided on page G-8.

Informal Procedure

As most disputes can be settled without the expense of a formal hearing, the Office has established an informal procedure. Although it is not required, facilities are encouraged to take advantage of the informal procedure. If a facility elects to use the informal procedure and is not satisfied with the informal disposition, it still has the right to a formal hearing. However, in order for a facility to take advantage of the informal procedure, it must waive its right to have a formal hearing within 60 days.

The informal procedure works as follows:

1. The facility files an appeal, requests an informal review, states grounds for the appeal, and agrees to waive the 60-day limit.
2. The Office staff analyzes the appeal and prepares a recommendation to the Chief Counsel.
3. The Chief Counsel makes a decision and notifies the facility.
4. The facility has fifteen (15) business days from the date it receives the written decision in the mail to either accept it or to reject it and request a formal hearing.
5. If a formal hearing is requested, one is promptly scheduled.

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Formal Hearing

Formal hearing are conducted substantially in conformity with the California Administrative Procedure Act. The facility may be represented by an attorney. The hearing will be tape recorded. The facility may, at its expense, supply a court reporter.

The hearing officer or Appeals Committee will consider any relevant evidence offered it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs. The hearing officer or Appeals Committee will prepare a recommended decision, including findings of fact and conclusions of law, and present it to the Office. The decision of the Director will be made in writing within 60 days of the conclusion of the hearing. It will be the final administrative decision.

Information of General Interest

1. The facility is liable for penalties, despite any liability of third parties. If a third-party is responsible for a delinquency, it is the responsibility of the facility to seek indemnity from the third-party.
2. The facility owner or administrator should take responsibility for resolving the penalty situation. If the owner or administrator chooses someone else to represent the facility in its appeal, the Office should be notified in writing of that delegation of authority. A form for this purpose is provided on page G-9.)
3. The Office suggests that an attorney be consulted before someone other than the owner or administrator is authorized to represent the facility in order for the facility to ensure that its legal rights are protected.

References: Health and Safety Code Sections 443.36 and 443.37 and California Code of Regulations, Title 22, Division 7, Sections 97045, 97051, and 97052.

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PETITION TO THE OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT

Facility's Name _____

Address _____

Telephone No. _____ License No. _____

Authorized Representative (if any) _____

Address _____

Telephone No. _____

Petitioner appeals the decision of the Office dated _____

Check One: ☐ Petitioner wishes to use the Office's informal procedure. We waive our
right to a formal hearing within 60 days.

☐ Petitioner does not wish to use the informal procedure and, therefore,
requests a formal hearing within 60 days.

This appeal is based on the following grounds: (Attach additional pages as necessary.)

Name* _____

(Please Print)

Title _____

(Please print)

Signature _____

Date _____

Attachment(s) ☐ Yes ☐ No

- *Notes:
1. Representatives other than the facility administrator must have written authorization from the facility administrator or owner, a copy of which must be attached to this form.
 2. The responsible facility official should consult with an authority prior to selecting a non-attorney representative in order to protect legal rights.

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**AUTHORIZATION TO REPRESENT
FACILITY IN APPEAL**

_____ is hereby authorized to represent
Name of Authorized Representative

Name of Facility

before the Office of Statewide Health Planning and Development. This authorization extends to all communications between our representative and the Office, its staff, or the Appeals Committee of the California Health Policy and Data Advisory Committee, concerning this appeal. This authorization may be terminated at any time upon written notice to the Office.

Facility Owner or Administrator Name

Title

Signature

Date